



BOARD OF EQUALIZATION
STATUS REPORT

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| <input type="checkbox"/> | Board Members |
| <input type="checkbox"/> | Business Taxes Committee |
| <input type="checkbox"/> | Customer Services Committee |
| <input type="checkbox"/> | Legislative Committee |
| <input checked="" type="checkbox"/> | Property Tax Committee |
| <input type="checkbox"/> | Technology & Administration Committee |
| <input type="checkbox"/> | Other (Insert Name) |

Topic:

Work plan to implement 2000 Property Taxes Legislation.

Background:

As a result of the 2000 Legislative Session, a number of bills were chaptered that affect the administration of the Property Tax Law. A schedule that lists the bills, provisions, and action required as a result of the bill passage is attached (Exhibit 1). Timely implementation of these legislative changes will ensure that the Board continues to provide current and accurate information used in the administration of property tax.

Current Status:

Most of the legislative changes do not become effective until January 1, 2001. However, timely implementation requires that the staff start the process prior to that date. The attached schedule includes a work plan that details the actions required and estimated completion dates. Notification of all legislative changes will be through Letters To Assessors.

Conclusion:

Affirmation of the proposed plan will enable the staff to begin the implementation process.

Prepared by: Property Taxes Department
Policy, Planning, and Standards Division

Current as of: November 24, 2000

WORK PLAN TO IMPLEMENT 2000 PROPERTY TAX LEGISLATION

		Action Required and Estimated Date of Completion				
Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
AB 659 Ch. 601 09/24/00	<p>Welfare Exemption – Low Income Housing. Reinstates eligibility to property qualifying on the sole basis that the property provides housing to low-income residents for property wholly owned by non-profits, as specified. (§214)</p> <p>Low Income Housing Projects - Indian Tribal Owned. Allows a partial exemption based on the percentage of low-income units to total units as long as at least 30% of the housing units are for low-income tenants. (§237)</p> <p>Pre-1910 Historic Wooden Vessels. Exempts a refurbished original, wooden inland waters vessel of 47 feet or larger, built in California during or prior to 1910, that has continuously thereafter remained in California waters, and has been designated a California State Historical Landmark and that is part of a maritime museum.</p>	<p>Issue LTA (12/2000)</p> <p>Issue LTA (12/2000)</p>		<p>AH 267 – Ch. 5 (Early 2002 PTC)</p> <p>AH 576 – (Early 2002 PTC)</p> <p>AH 504 – Ch. 3 (Mid 2002 PTC)</p>	<p>Amend BOE 267-L (12/2001)</p> <p>Amend BOE 267-L (12/2001)</p>	<p>Required (12/2000)</p>
AB 1036 Ch.602 01/01/01	State-County Property Tax Administration Loan Program. Extends the sunset date of the program that loans monies to counties to assist in the administration of the property tax system to include FY 2001/02. (§95.31)	Issue LTA – Legislative Summary (12/2000)				
AB 1790 Ch. 272 01/01/01	<p>Grapevines; Pierce’s Disease and Phylloxera – Similar Type Requirement. Eliminates the requirement that grapevines removed due to Pierce’s Disease or phylloxera be of a “similar type” to qualify for base year value transfers since replanted vines may need to be of a different variety that is not vulnerable to these diseases.</p> <p>Density. Permits that, if the grapevines are replanted at a greater density, a base year value transfer may be made but would limit the base year value transfer to an equivalent number of replacement grapevines. That portion in excess of a substantially equivalent amount is to be assessed at current market value. (§53)</p>	Issue LTA (12/2000)				Required (12/2000)

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Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
AB 1966 Ch. 406 09/12/00	Possessory Interests – Supplemental Assessments. Excludes from supplemental assessment newly created taxable possessory interests, established by month-to-month agreements in publicly owned real property, having a full cash value of fifty thousand dollars (\$50,000) or less. (§75.5)	Issue LTA (12/2000)				Required (12/2000)
AB 2092 Ch. 575 01/01/01	Disabled Veterans' Exemption - Retroactive Exemptions. Permits the disabled veterans' exemption to be granted retroactively for property for which the exemption would have been available but for the taxpayer's failure to receive a timely disability rating from the United States Department of Veterans Affairs.	Issue LTA (12/2000)			Amend BOE 261-G, BOE 261- GNT (12/2000)	Required (12/2000)
AB 2562 Ch. 922 09/29/00	Disabled Veterans' Exemption - Retroactive Exemptions. Permits retroactive exemptions, at 85%, for prior tax years for any eligible person who did not file a claim in that tax year. Increases the amount of the partial exemption granted on claims that are filed late, but before December 10th of the current tax year, from 80% to 90% (§276) Portability. Immediately terminates and transfers the exemption from one home to another. (§276.2, §276.3)	Issue LTA (12/2000)			Amend BOE 261-G, & BOE 261- GNT (12/2000)	Required (12/2000)
AB 2612 Ch. 607 01/01/01	Intercounty Pipeline Rights-of-Way. Extends to January 1, 2011 the agreement reached in 1996 between county assessors and intercounty pipeline rights-of-way owners to set forth an assessment methodology used to determine the value of intercounty pipeline rights-of-way for the 1984-85 through 2000-01 tax years. (§401.10)	Issue LTA – Legislative Summary (12/2000)				
AB 2891 Ch. 646 01/01/01	Statute of Limitations – Escape Assessments. Restores a limitation on the number of escape assessments that may be levied for prior tax years, except in cases of fraud or involving property owned by a legal entity in which a change in ownership statement was not filed. (§§75.11 and 532). <i>Continued on page 3 of 6.</i>	Issue LTA (12/2000) See also SB 2170		AH 504 – Chapters 1, 8 and 9 (<i>Mid 2002 PTC</i>)		Required (12/2000)

Note: LTA: refers to Letter to Assessors', AH refers to Assessors' Handbook Section and AAM refers to Assessment Appeals Manual

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Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
AB 2891 Ch. 646 01/01/01 (Continued from page 2)	<p>State Assessee Appeals - Filing Dates. Simplifies the petition filing deadlines for appeals of assessments and allocations of state-assessed properties. These provisions establish an appeal deadline that is date certain, eliminating a confusing two-part calculation to establish the filing deadline, and also eliminating potential confusion or dispute over precisely when a filing period calculation commences. (§§731, 732, 746, 758, & 759)</p> <p>Supplemental Assessments - Exemptions. Restores language that was inadvertently deleted by SB 2237 (Stats. 1998, Chap. 591) related to permitting a partial exemption to be granted on late filed claims for the veterans', homeowners', and disabled veterans' exemptions on a supplemental assessment. (§75.21)</p>	<p>Issue LTA – Legislative Summary (12/2000)</p> <p>Issue LTA – Legislative Summary (12/2000)</p>			Amend BOE 261-G & BOE 261- GNT (12/2000)	
AB 2898 Ch. 1052 01/01/01	<p>Additional Taxpayers' Bill of Rights. Among other things, for the Timber Yield and Private Railroad Car tax programs, this Board-sponsored bill 1) authorizes the Board to establish criteria to provide relief of the late payment penalty in a more efficient manner, 2) provides relief to a taxpayer whose employer withheld delinquent taxes or fees from the taxpayer's pay, but failed to remit the amounts to the Board, 3) provides relief of the late payment penalty in cases where the taxpayer enters into and successfully complies with an installment payment agreement, 4) prohibits the disclosure of confidential taxpayer information by tax preparers, 5) changes the effective date for which reimbursement of fees and expenses may be awarded so that taxpayers may claim reimbursement commencing from the date the notice of determination, jeopardy determination, or denial of claim for refund is issued, 6) suspends the statute of limitations on filing refund claims during periods of disability, and 7) requires the Board to provide annual statements summarizing the payment and liability information to taxpayers who have entered into installment payment agreements.</p>			Update Publication 87 (12/2001)		

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		Action Required and Estimated Date of Completion				
Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
SB 383 Ch. 693 09/27/00	Proposition 90/110 Base Year Value Transfers. Provides that where intercounty base year value transfers were erroneously granted by the assessor after the county's ordinance had expired, no escape assessments for prior years taxes will be levied after the transfer is revoked. (Riverside County)	Issue LTA (12/2000)	N/A	N/A	N/A	N/A
SB 1362 Ch. 1085 09/30/00	Disabled Veterans' Exemption – Low Income Threshold. Raises the low income threshold to \$40,000 and provide for automatic annual increases in the amount. (§205.5) Exemption Amounts Simplified. Deletes the multiple levels of exemption for disability type. (§205.5) Blindness. Updates the definition of blindness. (§205.5) Retroactive Exemptions for Prior Tax Years. Permits partial retroactive exemptions for any eligible person who did not file a claim, and permits full retroactive exemptions for veterans awaiting a disability rating, grants the exemption retroactively, subject to the four year statute of limitations for refunds, for those who did not apply because they were awaiting a disability rating from the federal government (presently the exemption is available on a prospective basis.) (§§276 and 276.1) Portability. Immediately terminates and transfers the exemption from one home to another. (§§276.2 and 276.3)	Issue LTA (12/2000)			Amend BOE 261-G & BOE 261- GNT (12/2000)	Required (11/2000)
SB 1417 Ch. 417 01/01/01	Proposition 60/90/110 Rescissions. Requires the assessor, upon a taxpayer's request, to rescind the once in a lifetime base year value transfer for a person over the age of 55 years if the home was vacated within 90 days after the claim was filed. (Affects Riverside County) Intercounty Ordinances. Permits intercounty base year value transfers to be granted prospectively in counties that change the effective date of their ordinance where the period for filing a timely claim would have otherwise expired. (Affects Ventura County)	Issue LTA (12/2000)			Prepare New Form (2/2001)	Required (11/2000)

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Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
SB 1844 Ch. 613 01/01/01	Mandatory Audit Threshold. Increases the threshold level that requires the assessor to audit the books and records of a business once every four years from \$300,000 to \$400,000 worth of business property holdings (trade fixtures and business tangible personal property). (§469)	Issue LTA (1/2001)		AH 504 – Ch. 5, 8, & glossary (Mid 2002 PTC)		Required (1/2000)
SB 1933 Ch. 619 01/01/01	California Commission on Tax Policy in the New Economy. Creates the California Commission on Tax Policy in the New Economy to examine the impact of the Internet and other forms of electronic technology on the sales and use tax, telecommunications taxes, property taxes, and income taxes, as specified. (§38061 et seq.)	Issue LTA – Legislative Summary (12/2000)				
SB 2170 Ch. 647 01/01/01	<p>Private Contractors –Establishes safeguards to ensure the confidentiality of taxpayer confidential information when consultants are hired by county assessors to perform appraisal work. (§674)</p> <p>Statute of Limitations – Escape Assessments. Restores a limitation on the number of escape assessments that may be levied for prior tax years, except in cases of fraud or involving property owned by a legal entity in which a change in ownership statement was not filed. (§§75.11 and 532).</p> <p>State Assessee Appeals - Filing Dates. Simplifies the petition filing deadlines for appeals of assessments and allocations of state-assessed properties. These provisions establish an appeal deadline that is date certain, eliminating a confusing two-part calculation to establish the filing deadline, and also eliminating potential confusion or dispute over precisely when a filing period calculation commences. (§§731, 732, 746, 758, & 759)</p> <p><i>Continued on page 6 of 6.</i></p>	<p>Issue LTA – Legislative Summary (12/2000)</p> <p>Issue LTA (12/2000)</p> <p>State Assessee Newsletter (12/2000)</p>	<p>Update Rule 904 via Section 100 change- Chief Counsel's consent agenda</p>	<p>AAM & AH 504- (Mid 2002 PTC)</p> <p>Update Property Tax Calendar (12/2000)</p>	<p>Value Notices (Unitary- 5/2001, Nonunitary- 7/2001)</p>	<p>Required (12/2000) - Letter 760.0005</p>

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		Action Required and Estimated Date of Completion				
Bill, Chapter, & Effective Date	Provisions (Description)	Notification (LTA/CAO)	Update Regulations (Rules)	Update Publications	Forms Revision	Annotation Review
SB 2170 Ch. 647 01/01/01 (Continued from page 5)	<p>Supplemental Assessments - Exemptions. Restores language that was inadvertently deleted by SB 2237 (Stats. 1998, Chap. 591) related to permitting a partial exemption to be granted on late filed claims for the veterans', homeowners', and disabled veterans' exemptions on a supplemental assessment. (§75.21)</p> <p>Appeals Filing Period. Clarifies that the time for filing assessment appeals outside the regular filing period is "within 60 days of the date of mailing printed on the notice or the postmark date therefore, whichever is later." (§§75.31, 532, 1605)</p> <p>Notice to Assessee-New Base Year Value. Provides that the required notice shall be on a form prescribed by the State Board of Equalization (§75.31)</p> <p>Procedure After Assessment. Provides that the notice for assessments be on a form prescribed by the State Board of Equalization (§534)</p>		Update Rule 305(d)(2) Section 100 change	Publication 30 – Pg. 5 AAM– Pg. 26, 27, 30, 47, & 109	Allocation Notices (6/2001) Amend BOE 261- GNT & BOE 261-G (12/2001) Prepare New Form (3/2001) Prepare New Form (3/2001)	
SB 2195 Ch. 1086 09/30/00	Disabled Veterans' Exemption – Deletes the sunset date reducing exemption amounts scheduled to be reduced effective January 1, 2001.	Issue LTA (12/2000)				